

JUL 10 1958

A copy of this prospectus has been filed with the Secretary of State of Canada in accordance with the provisions of the Companies Act (Canada).

This prospectus is not, and under no circumstances is to be construed as, a public offering of any of these Participating Preferred Shares in the United States of America or in the territories or possessions thereof.

New Issue

450,000

6% Non-Callable Non-Cumulative Participating Preferred Shares
of the par value of \$10 each

Iroquois Glass Limited

(Incorporated under the laws of Canada)

The 6% Non-Callable Non-Cumulative Participating Preferred Shares of the par value of \$10 each (hereinafter sometimes called the "Participating Preferred Shares") are non-callable and are entitled to non-cumulative preferential dividends, if and when declared by the directors, aggregating 6% per annum per share in priority to dividends on the Ordinary Shares of the Company, and in any fiscal year after a dividend aggregating 6% per annum per share has also been declared and paid on the Ordinary Shares of the Company both classes of shares shall participate in any further dividends, if and when declared by the directors, in such fiscal year, in proportion to their respective par values. On liquidation or dissolution of the Company or other distribution of capital the Participating Preferred Shares shall be entitled to a distribution equal in amount to the par value thereof in priority to the Ordinary Shares and after distribution on the Ordinary Shares of an amount equal to the par value thereof, plus in each case, declared and unpaid dividends, both classes of shares shall participate in any further distribution of assets in proportion to their respective par values. Participating Preferred Shares and Ordinary Shares carry the right to one vote per share at all meetings of shareholders. The preferences, priorities, rights, privileges, limitations and conditions attaching to both classes of shares are set out in full in paragraph (h) of the Statutory Information in this prospectus.

Registrar and Transfer Agent
MONTREAL TRUST COMPANY
Halifax, Montreal, Toronto and Vancouver

Capitalization (Upon completion of the proposed financing)

	Authorized	To be outstanding
6% Non-Callable Non-Cumulative Participating Preferred Shares of the par value of \$10 each.....	\$8,000,000 ⁽¹⁾	\$4,500,000
Ordinary Shares of the par value of \$1 each.....	\$2,000,000	\$1,000,000

⁽¹⁾ Of which 40,000 shares will be reserved for exercise of the option referred to in paragraph (k) of the Statutory Information in this prospectus.

Of the 450,000 Participating Preferred Shares covered by this prospectus, 255,000 shares have been subscribed for at par privately, the subscription price to be paid in Canadian funds in cash not later than July 22, 1958.

We, as principals, offer the remaining 195,000 Participating Preferred Shares of the Company if, as and when issued by the Company and accepted by us, subject to prior sale or change in price and subject to approval of all legal matters on our behalf by Messrs. Dixon, Senecal, Turnbull, Mitchell, Stairs, Culver & Kierans, Montreal, and on behalf of the Company by Messrs. Common, Howard, Cate, Ogilvy, Bishop, Cope, Porteous & Hansard, Montreal.

PRICE: \$10 per share

We reserve the right to accept applications for these 195,000 Participating Preferred Shares in whole or in part or to reject any application and to withdraw this offer at any time without notice. It is expected that definitive certificates in registered form for the Participating Preferred Shares will be available for delivery on or about July 22, 1958.

Application for listing the Participating Preferred Shares on the Montreal Stock Exchange and The Toronto Stock Exchange has been approved subject to the filing of documents and evidence of satisfactory distribution.

W. C. Pitfield & Company, Limited
MONTREAL

HALIFAX MONCTON SAINT JOHN QUEBEC ST. HYACINTHE OTTAWA CORNWALL TORONTO
SAULT STE. MARIE WINNIPEG CALGARY EDMONTON VANCOUVER VICTORIA NEW YORK

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IROQUOIS GLASS LIMITED

Montreal, Quebec,
July 4, 1958.

W. C. Pitfield & Company, Limited,
Montreal, Quebec.

Dear Sirs,

With reference to the proposed issue of 6% Non-Callable Non-Cumulative Participating Preferred Shares of the par value of \$10 each in the capital of Iroquois Glass Limited (hereinafter sometimes called the "Company"), we are pleased to give you the following information.

The Company

The Company was incorporated under the laws of Canada on April 18, 1958 and will engage in the manufacture of glass bottles and jars and similar products in a new plant to be constructed in the vicinity of Montreal and in the marketing of these products mainly in the Provinces of Quebec and Ontario.

Parent Group

The largest single shareholder of Iroquois Glass Limited is Sogemines Limited, an investment, holding and management company, having its head office in the City of Montreal. After completion of the present financing, Sogemines Limited will hold a majority of the voting shares in the capital of the Company.

Sogemines Limited was formed in 1951 to participate in the financing of industrial and mining projects in Canada. The capital of Sogemines Limited is largely held in Belgium and Canada and its net assets now exceed \$27,000,000. Its direct and indirect subsidiaries include two operating cement companies, Inland Cement Company Limited, which commenced production early in 1956 in Edmonton, Alberta, and Saskatchewan Cement Company Limited, which commenced production early in 1957 in Regina, Saskatchewan, and which was acquired by Inland Cement Company Limited in the summer of 1957; Neelon Steel Limited, which recently opened a specialty steel foundry at Sudbury, Ontario; Sogemines Development Company Limited, a mining exploration company; and Sogemines Consultants Limited, an engineering and consulting company. Substantial minority interests are held in The Rio Tinto Mining Company of Canada Limited, Canadian Petrofina Limited, American Petrofina, Incorporated and British Newfoundland Corporation Limited.

The major shareholders of Sogemines Limited are a group of Belgian companies under the leadership of Société Générale de Belgique which, itself, has a substantial equity interest in Sogemines Limited. Société Générale de Belgique was incorporated in Brussels in 1822 for the purpose of developing industry in Belgium and other parts of the world. It has taken a leading part in the development of the Belgian Congo and, with a view to participating actively in the long-term industrial growth of Canada, played a leading role in the formation of Sogemines Limited.

Société Générale de Belgique has very substantial investments in the Belgian glass industry and through a controlled holding company, Verreries de Mariemont S.A., has substantial direct and indirect investments in S.A. Union des Verreries Mécaniques Belge (Univerbel) of Charleroi, Belgium. Univerbel is one of the world's major producers of flat glass, with operating plants in Belgium, at Gilly, Lodelinsart and Zeebrugge, producing a large variety of drawn sheet glass products including specialized products such as enameled, electro-conducting and insulation glazing glass. Univerbel also maintains a large research laboratory at Gilly, which is outstanding in the field of glass technique.

Verreries de Mariemont S.A. controls S.A. Verreries des Hamendes, L. Lambert, (hereinafter referred to as "Hamendes") of Jumet, Belgium. Hamendes specializes in the manufacture of glass bottles and other industrial containers at Merxem, Belgium, and also produces carboys, demijohns and hollow ware as well as specialized glass products such as coloured sheet glass and mirrors at a second plant at Jumet, Belgium.

Société Générale de Belgique also has large interests in S.A. Cristalleries du Val St-Lambert, of Val St-Lambert, Belgium, which produces a wide selection of crystal ware. Many of their products are exported to Canada, the U.S.A. and other parts of the world.

Proposed Manufacturing Plant

The Company proposes to construct a modern and highly mechanized plant, to be equipped with the latest machinery, at an estimated cost of \$4,200,000, with an initial annual capacity of 35,000 tons of bottles, jars and other glass containers. The Company plans to manufacture a wide range of both narrow neck and wide mouth containers in flint, green and amber glass for use in the food packing, dairy, carbonated beverage, brewery, distilling, pharmaceutical and chemical industries. As used herein a ton equals 2,000 lbs.

The Company has signed an agreement to purchase a plant site of approximately 40 acres on the south shore of the St. Lawrence River, opposite the Island of Montreal, in the industrial zone of the new Town of Candiac, Quebec. This location was selected from among several possible sites after a detailed study of the many economic factors involved. The site will provide ample space for storage facilities and future plant expansion.

Another company in the Société Générale de Belgique group, Etudes et Recherches Industrielles S.A. of Brussels, Belgium (hereinafter referred to as "ERI"), is presently engaged upon the specialized process-plant design and general layout of the plant. The remaining design and detailed layout work will be entrusted to a Canadian engineering firm. It is anticipated that the plant will be completed and in production during the first half of 1959.

The principal raw materials to be used are silica sand, soda ash and lime. All the basic raw materials are readily available at competitive prices.

Market Survey

A detailed market survey carried out by Sogemines Consultants Limited over the past several months has shown that the products of the Company should find a ready market. It is estimated that over 80% of the glass container market in Canada is located in Quebec, Ontario and the Atlantic Provinces. It will only be necessary for the Company to capture about 15% of the market within Quebec, Ontario and the Atlantic Provinces to sell its entire production. A substantial proportion of sales is expected to come from the replacement of imports of glass containers, which in 1955 was slightly more than 15% of the total Canadian consumption.

Canadian consumption of glass containers over the past five years has been increasing at the rate of about 5% per year, which is greater than the rate of growth of population. It is reasonable to assume that the Canadian glass container market will continue to expand due to the expected growth of population and increase in gross national product as well as the development of new uses for glass in the packaging industry. At the present time the per capita consumption of glass containers in Canada is estimated to be only about two-thirds of that of the United States of America.

Due to the growth in sales of pre-packaged foods, soft drinks and other beverages, etc., the consumption of non-glass containers, such as plastic bottles and jars, cans and waxed paper cartons, is increasing rapidly. However, the superior eye-appeal and other merchandising advantages of glass containers should assure the continued growth of this section of the container market.

Management and Technical Assistance

Among the officers of the Company are Marcel Lambot who will be in charge of manufacturing operations and William E. Dempster who will be in charge of sales and administration. Mr. Lambot is a chemical engineer with thirty years' specialized experience in design and operation in the glass industry in Belgium and other countries. Mr. Dempster is an engineer who has been engaged in both operating and sales capacities by large Canadian chemical and metallurgical corporations and for the past three years has been chief engineer of Sogemines Consultants Limited and its predecessor company.

By agreement between Sogemines Consultants Limited and ERI, which agreement has been assigned by Sogemines Consultants Limited to the Company, ERI is to provide the design of the overall general layout of the plant, the specialized process design and the supervision of construction of the furnaces and raw materials batching plant. By agreement with Hamendes (which is making a substantial investment in the Company) Hamendes will furnish technical assistance during the start of operations of the plant and thereafter as needed and requested by the Company. The Company will also be able to call upon the technology of the other glass companies in the Société Générale de Belgique group.

Purpose of Issue

The proceeds to the Company from the sale of the 450,000 Participating Preferred Shares covered by this prospectus, amounting to \$4,308,000 after payment of commissions amounting to \$192,000, will be used as to approximately \$4,200,000 to provide the funds required to pay the cost of acquisition of the site and construction of the proposed glass plant and related facilities and as to the balance for general corporate purposes. Legal, audit and other expenses of issue, estimated at \$30,000, will be paid out of the general funds of the Company.

Conclusion

The growth of Canada's economy and population and the rise in its standard of living have resulted in a steady increase in the consumption of glass containers. The Company's planned production of 35,000 tons per year is less than the growth of the Canadian market during the past four years and is less than the yearly Canadian imports of glass containers.

As the Company's immediate plan is to capture only 15% of the market in the important marketing areas of Quebec, Ontario and the Atlantic Provinces (mainly at the expense of imports) and since it will at all times have ready access to the technical knowledge and experience of its affiliated organizations in the Société Générale de Belgique group, it is anticipated that it will build up quickly to full production, dispose readily of its output and operate profitably.

Yours truly,

IROQUOIS GLASS LIMITED,

Per (Sgd.) CH. DUPRIEZ,

President.

IROQUOIS GLASS LIMITED
Balance Sheet and Pro Forma Balance Sheet
as at June 16, 1958.

The Pro Forma Balance Sheet gives effect to:—

- (i) The issue and sale of 450,000 6% Non-Callable Non-Cumulative Participating Preferred Shares for an aggregate consideration of \$4,500,000 paid in cash to the Company.
- (ii) The payment of commissions totalling \$192,000 in respect to the sale of shares referred to in (i) above.
- (iii) The provision of \$30,000 for estimated financing expense.

A S S E T S

	Balance sheet	Pro forma balance sheet
Cash.....	\$ 177,824	\$4,485,824
Short term notes	750,000	750,000
Pre-operating expense.....	68,676	68,676
Commission on issue of shares.....		192,000
Estimated organization and financing expense.....	10,000	40,000
	<u>\$1,006,500</u>	<u>\$5,536,500</u>

L I A B I L I T I E S

Accounts payable and accrued expenses.....	\$ 6,500	\$ 36,500
Capital Stock:		
Authorized:—		
800,000 6% Non-Callable Non-Cumulative Participating Preferred Shares of the par value of \$10 each..	\$ 8,000,000	
2,000,000 Ordinary Shares of the par value of \$1 each..	2,000,000	
	<u>\$10,000,000</u>	
Issued and fully paid:—		
450,000 Participating Preferred Shares.....		4,500,000
1,000,000 Ordinary Shares.....	1,000,000	1,000,000
	<u>\$1,006,500</u>	<u>\$5,536,500</u>

NOTES:

- (1) Under date of June 16, 1958, the Company granted to Financial Investments Company "Fininco" S.A. Holding an option to purchase 40,000 Participating Preferred Shares of the Company at \$10 per share from January 1, 1959 up to and including June 30, 1964.
- (2) Since June 16, 1958 the Company has signed an agreement to purchase a plant site for an amount of approximately \$180,000.
- (3) The Company has agreed to pay Etudes et Recherches Industrielles S.A. a fee of 3,000,000 Belgian francs (approximately \$60,000) for engineering services of which 1,000,000 Belgian francs (\$19,370) has been paid and is included in "pre-operating expense". The agreement also provides for the payment of other charges, the aggregate of which cannot now be determined.
- (4) Pre-operating expense comprises the following:

Engineering services.....	\$19,370
Management and technical assistance.....	39,000
Administrative and travelling expense.....	10,306
	<u>\$68,676</u>

Approved on behalf of the Board:

(Sgd.) CH. DUPRIEZ,
Director.

(Sgd.) F. C. COPE,
Director.

AUDITORS' REPORT

To the Directors,
Iroquois Glass Limited.

We have examined the balance sheet of Iroquois Glass Limited as at June 16, 1958 and have obtained all the information and explanations we have required. In our opinion, the above balance sheet is properly drawn up so as to present fairly the financial position of the Company as at June 16, 1958 according to the best of our information and the explanations given to us and as shown by the books of the Company.

We further report that, in our opinion, the above pro forma balance sheet is properly drawn up so as to present fairly, after giving effect to the assumptions on which it is based, the financial position of Iroquois Glass Limited as at June 16, 1958.

The Company has had no income for the period from the date of incorporation, April 18, 1958, to June 16, 1958 and all expenditures made, other than for the organization and financing of the Company, have been carried forward in the above balance sheets under the caption "pre-operating expense". There is therefore no profit or loss for the period.

Montreal, Quebec, July 3, 1958.

(Sgd.) McDONALD, CURRIE & Co.,
Chartered Accountants.

Statutory Information

(a) The full name of the Company is Iroquois Glass Limited (hereinafter called the "Company"). The address of the head office of the Company is 1980 Sherbrooke Street West, Montreal, Quebec, Canada.

(b) The Company was incorporated under the laws of Canada by letters patent dated April 18, 1958. Supplementary letters patent dated May 20, 1958 have been issued to the Company.

(c) The general nature of the business to be transacted by the Company is the manufacturing and marketing of glass bottles and jars and similar products.

(d) The names in full, descriptions or present occupations and home addresses in full of the directors and officers of the Company are as follows:—

Directors

FRANCIS CAMPBELL COPE, Q.C.....	Advocate.....	13 Northcote Road, Hampstead, Quebec, Canada.
CHARLES GUSTAVE DUPRIEZ.....	Executive.....	20 Merton Crescent, Hampstead, Quebec, Canada.
WALTER LESLIE FORSTER, C.B.E.....	Consultant.....	61 Summit Crescent, Westmount, Quebec, Canada.
RAOUL GROSSE.....	Glass Company Executive....	Rue de la Verrerie, Jumet, Belgium.
ANDRÉ DE JAER.....	Executive.....	26 Avenue de l'Echevinage, Uccle, Brussels, Belgium.
SERGE LAMBERT.....	Executive.....	23 Avenue du Manoir, Uccle, Brussels, Belgium.
JEAN RAYMOND, Q.C.....	Industrialist.....	18 Richelieu Street. Fort Chambly, Quebec, Canada.
MAX VILAIN.....	Executive.....	27 Rue des Ecoles, Rixensart, Belgium.

Officers

WALTER LESLIE FORSTER, C.B.E.....	Chairman of the Board.....	61 Summit Crescent, Westmount, Quebec, Canada.
CHARLES GUSTAVE DUPRIEZ.....	President.....	20 Merton Crescent, Hampstead, Quebec, Canada.
MARCEL LAMBOT.....	Vice-President-Production....	3220 Ridgewood Avenue, Montreal, Quebec, Canada.
WILLIAM ERIC DEMPSTER.....	Vice-President-Sales.....	11794 Lavigne Street, Montreal, Quebec, Canada.
FRANK GEORGE TUCKER.....	Secretary and Treasurer.....	37 Birch Hill Road, Baie d'Urfee, Quebec, Canada.

(e) The auditors of the Company are Messrs. McDonald, Currie & Co., Chartered Accountants, 507 Place d'Armes, Montreal, Quebec, Canada.

(f) Montreal Trust Company at its offices in the Cities of Halifax, Montreal, Toronto and Vancouver is the registrar and transfer agent for the 6% Non-Callable Non-Cumulative Participating Preferred Shares of the Company. The Company at its head office in the City of Montreal acts as registrar and transfer agent for the Ordinary Shares of the Company.

(g) The authorized capital of the Company consists of \$10,000,000 divided into 800,000 6% Non-Callable Non-Cumulative Participating Preferred Shares of the par value of \$10 each and 2,000,000 Ordinary Shares of the par value of \$1 each, of which 1,000,000 Ordinary Shares are outstanding as fully paid and non-assessable.

(h) The description of the respective voting rights, preferences, rights to dividends, profits or capital of the 6% Non-Callable Non-Cumulative Participating Preferred Shares of the par value of \$10 each (hereinafter in this paragraph (h) called the "preferred shares") and the Ordinary Shares, including rights on liquidation or distribution of capital assets, there being no conversion or exchange or redemption rights, are as follows:—

The preferred shares and the ordinary shares shall respectively carry and be subject to the following preferences, priorities, rights, privileges, limitations and conditions, that is to say:—

"(a) **DIVIDENDS.** The holders of record of the preferred shares shall, subject as hereinafter provided, be entitled to receive in each fiscal year of the Company if and when declared by the directors of the Company fixed non-cumulative preferential dividends aggregating six per cent (6%) per annum on the amount of the par value of such preferred shares and no dividends shall at any time be declared and paid or set apart for payment in any fiscal year of the Company on the ordinary shares of the Company unless dividends at the rate of at least six per cent (6%) per annum on the amount of the par value of all preferred shares outstanding at the time of the declaration of any dividend on the ordinary shares shall have been declared and paid or set apart for payment during such fiscal year.

After dividends at the rate of at least six per cent (6%) per annum on the amount of the par value of all preferred shares outstanding at the time of the declaration in any fiscal year of the Company of any dividend on the ordinary shares have been declared and paid or set apart for payment during such

fiscal year, the holders of record of the ordinary shares shall, subject as hereinafter provided, be entitled to receive in such fiscal year, if and when declared by the directors of the Company, fixed non-cumulative dividends aggregating six per cent (6%) per annum on the amount of the par value of such ordinary shares.

Whenever in any fiscal year of the Company dividends at the rate of at least six per cent (6%) per annum on the amount of the respective par values of all preferred shares and ordinary shares respectively outstanding at the time of the declaration of any additional dividends hereinafter referred to shall have been declared and paid or set apart for payment, all additional dividends which may, in the discretion of the directors of the Company, be declared in such fiscal year shall be declared and paid or set apart for payment on all outstanding preferred shares and ordinary shares in an amount per share which shall bear the same ratio to the aggregate amount of such additional dividends as the par value of each share bears to the aggregate par value of all then outstanding preferred shares and ordinary shares, without preference of one share or class of shares over another.

All obligations of the Company in respect of undeclared dividends on the preferred shares and on the ordinary shares respectively with respect to any fiscal year of the Company shall be automatically extinguished by the mere fact of expiry of such fiscal year.

Wherever used herein, the words and figure "dividends at the rate of at least six per cent (6%) per annum" shall mean, in respect of any share, dividends computed at least at that rate for the number of days during which such share was outstanding during the fiscal year or other period in respect of which the computation is being made. Nothing herein contained or implied shall require proration of dividends in respect of any shares not outstanding for the whole of any fiscal year or other period for or in respect of which such dividends are being declared. The directors of the Company may, however, in their discretion, prorate dividends in respect of any shares not outstanding for the whole of any fiscal year or other period for or in respect of which dividends are being declared if such right of proration was reserved by the Company at the time of the allotment and issue of such shares.

All dividends declared on the preferred shares or on the ordinary shares shall be payable at such time or times, in such amounts and in such manner and at such place or places as the directors of the Company may from time to time determine.

For dividend purposes, the holders of record of shares represented by outstanding bearer share warrants, if any, shall be and be deemed to be the bearers for the time being of such share warrants but subject to the provisions for the time being attaching to such warrants with respect to the payment of dividends by coupon.

(b) **LIQUIDATION.** In the event of the liquidation or dissolution of the Company or any distribution of capital, no sum shall be paid to nor shall any assets be distributed among the holders of the ordinary shares until there shall have been paid to the holders of the preferred shares an amount equal to the par value of the preferred shares held by them respectively, plus an amount equal to any dividends then declared thereon and remaining unpaid and the holders of the preferred shares shall be entitled to be paid equally and rateably all such moneys out of the assets of the Company by preference over and in priority to the holders of the ordinary shares. After payment to the holders of the preferred shares of the amount so payable to them the holders of the ordinary shares shall be entitled to be paid an amount equal to the par value of the ordinary shares held by them respectively, plus an amount equal to any dividends then declared thereon and remaining unpaid. After payment to the holders of the preferred shares and the ordinary shares of the amounts so payable to them respectively, all the remaining property and assets of the Company shall be distributed amongst the holders of the preferred shares and ordinary shares in an amount per share which shall bear the same ratio to the aggregate amount so to be distributed as the par value of each share bears to the aggregate par value of all then outstanding preferred shares and ordinary shares without preference of one share or class of shares over another.

The preferred shares shall be non-callable and non-redeemable.

(c) **VOTING.** The holders of the preferred shares and of the ordinary shares shall, at all meetings of shareholders, have one (1) vote for each outstanding preferred share or ordinary share held by them respectively.

(d) **AMENDMENTS.** The Company shall not, except with the approval of the holders of the preferred shares and of the holders of the ordinary shares for the time being outstanding and upon compliance with any relevant provisions of the laws governing the Company (i) create any shares ranking in priority to or *pari passu* with the said preferred shares or ordinary shares, (ii) subdivide or change the preferred or ordinary shares into a greater number of shares, (iii) voluntarily liquidate or dissolve the Company or (iv) repeal, amend or otherwise alter any of the provisions contained in clauses (a) to (c) hereof or in this clause.

Any approval of the holders of any class of shares required under the foregoing shall, in addition to any requirements of the laws governing the Company, be deemed to have been sufficiently given if contained in (i) an instrument signed by the holders of not less than two-thirds (2/3) of the outstanding shares of such class or (ii) a resolution passed by at least two-thirds (2/3) of the votes cast at a special meeting of the holders of such class of shares called for the purpose upon not less than fifteen (15) days' notice and at which meeting the holders of not less than two-fifths (2/5) of the outstanding shares of such class are present in person or represented by proxy. In the event that the holders of not less than two-fifths (2/5) of the outstanding shares of such class are not present or represented by proxy within one-half (1/2) hour after the time appointed for the meeting, the meeting shall be adjourned to a date not less than fifteen (15) days later and not less than seven (7) days' notice of such adjourned meeting shall be given. At such adjourned meeting the holders of shares of such class present in person or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by not less than two-thirds (2/3) of the votes cast shall constitute the approval of the holders of such class of shares hereinbefore referred to."

The Company is authorized to issue bearer share warrants in respect of fully-paid preferred shares of its capital stock. It is anticipated that bearer share warrants will be available on or about September 1, 1958.

(i) No bonds or debentures are outstanding or proposed to be issued, nor are any other securities issued or proposed to be issued, which if issued would rank ahead of or *pari passu* with the 6% Non-Callable Non-Cumulative Participating Preferred Shares of the par value of \$10 each (hereinafter called the "Participating Preferred Shares") covered by this prospectus.

(j) No substantial indebtedness is to be created or assumed which is not shown on the accompanying pro forma balance sheet dated as at June 16, 1958.

(k) No securities of the Company are covered by options outstanding or proposed to be given other than the option dated June 16, 1958 from the Company to Financial Investments Company "Fininco" S.A. Holding to purchase 40,000 Participating Preferred Shares in the capital of the Company at \$10 per share during the period from January 1, 1959 up to and including June 30, 1964. It is the intention to grant sub-options to the extent of a specified number of the aforementioned 40,000 Participating Preferred Shares in each case to individuals who may include officers, directors and/or employees of the Company, but neither the names of the individuals concerned nor the number of shares to be so made available has been determined at the date hereof.

Société Générale des Minerais and Société Africaine de Participation et de Commerce each has more than a 5% interest in the said Financial Investments Company "Fininco" S.A. Holding.

(l) The 195,000 Participating Preferred Shares offered by this prospectus and their correct descriptive title and the issue price to the public and the terms thereof are as stated on the face of this prospectus to which reference is hereby expressly made. Reference is made to the remaining 255,000 Participating Preferred Shares covered by this prospectus, of which the correct descriptive title and the issue price and the terms thereof are also stated on the face of this prospectus. No amount is payable on the application or the allotment of any of such securities but the issue price is payable on delivery thereof. The amount payable to the Company on the issue of said securities is stated in paragraph (p) hereof. Since the date of incorporation, the Company has allotted and issued 1,000,000 Ordinary Shares at \$1 per share paid in cash to the Company, 900,000 of which are beneficially owned by Sogemines Limited and 100,000 by S.A. Verreries des Hamendes, L. Lambert (hereinafter called "Hamendes").

(m) The estimated net proceeds to be derived by the Company from the sale of the Participating Preferred Shares covered by this prospectus on the basis of the same being fully taken up and paid for is \$4,308,000, after payment of commissions amounting to \$192,000.

(n) The proceeds to the Company from the sale of the 450,000 Participating Preferred Shares covered by this prospectus, amounting to \$4,308,000 after payment of commissions amounting to \$192,000, will be used as to approximately \$4,200,000 to provide the funds required to pay the cost of acquisition of the site and construction of the proposed glass plant and related facilities and as to the balance for general corporate purposes. Legal, audit and other expenses of issue, estimated at \$30,000, will be paid out of the general funds of the Company. No part of the proceeds from the issue of the Participating Preferred Shares covered by this prospectus is to be held in trust pending or subject to the fulfilment of any conditions.

(o) In the opinion of the directors of the Company, the minimum amount which must be raised by the issue of the Participating Preferred Shares covered by this prospectus in order to provide the sum required to pay the cost of the acquisition of the site and construction of the proposed glass plant and related facilities and the commissions referred to in paragraph (n) hereof is \$4,392,000 and no minimum amount must be raised by the issue of the Participating Preferred Shares covered by this prospectus in order to provide the sums required to pay any preliminary expenses payable by the Company, to repay any moneys borrowed by the Company in respect of the foregoing matters or to repay any bank loans.

(p) Under an agreement dated July 3, 1958 between the Company and W. C. Pitfield & Company, Limited, as underwriter, the Company agreed to sell and the said underwriter agreed to buy on its own behalf 195,000 of the 450,000 Participating Preferred Shares covered by this prospectus at the price of \$10 per share payable against delivery on or about July 22, 1958 upon and subject to the terms and conditions set forth in the said agreement and subject to the payment by the Company to the said underwriter of a commission of 60¢ per share.

Of the remaining 255,000 Participating Preferred Shares covered by this prospectus (i) 100,000 shares and 25,000 shares have been subscribed for at par respectively by Compagnie de Gestion et de Banque, of Geneva, Switzerland and Banque Belge Limited of London, England, subject to the payment by the Company to the said banks respectively of a commission of 60¢ per share, all or part of which shares may in turn be resold privately outside of Canada, (ii) 30,000 shares have been subscribed for at par privately in Canada, (iii) 50,000 shares have been subscribed for at par by Sogemines Limited, and (iv) 50,000 shares have been subscribed for at par by Sogemines Limited for and on behalf of Hamendes, all such subscriptions to be paid in Canadian funds in cash not later than July 22, 1958.

(q) The by-laws of the Company provide for the remuneration of the directors as follows:

"Each of the directors shall receive such remuneration as the Board of Directors of the Company shall fix, from time to time, by resolution."

(r) The Company has not yet completed its first financial year. The aggregate remuneration estimated to be paid or payable during the current financial year ending December 31, 1958 to directors of the Company, as such, is \$5,000 and to officers of the Company, as such, who individually are or may be entitled to receive remuneration in excess of \$10,000 per annum, is nil.

(s) Apart from the commissions referred to in paragraph (p) hereof, no amount has been paid since the date of incorporation of the Company or is now payable as a commission for subscribing or agreeing to subscribe or for procuring or agreeing to procure subscriptions for any shares in or obligations of the Company.

(t) The amount of the preliminary expenses of the Company comprising expenses in respect of its incorporation and organization will be approximately \$10,000.

(u-v) The Company has not purchased or acquired, nor does it propose to purchase or acquire, any property the purchase price of which is to be defrayed in whole or in part out of the proceeds of the sale of the securities covered by this prospectus, or has been paid since the date of incorporation of the Company or is to be paid in whole or in part in securities of the Company, or the purchase or acquisition of which has not been completed as of the date hereof, except (i) under agreement dated June 27, 1958 between the Company and Candiac Development Corporation, 1510 Drummond Street, Montreal, Quebec, the Company has agreed to purchase a plant site comprising approximately 40 acres located

in the Town of Candiac, Quebec, for the price of 10¢ per square foot, or, subject to survey, approximately \$180,000 and (ii) the Company proposes to construct a glass plant and related facilities on the said site for a cost estimated at \$4,020,000 which will include engineering, design and related services. No amount has been paid or will be payable for goodwill. The nature of the title or interest in the property to be acquired is ownership.

(w) No securities, since the date of the Company's incorporation, have been issued, or agreed to be issued, as fully or partly paid up otherwise than in cash.

(x) No obligations or debentures are being offered by this prospectus.

(y) No services have been rendered or are to be rendered to the Company which are to be paid for by the Company wholly or partly out of the proceeds of the securities covered by this prospectus or have since the date of the incorporation of the Company or are to be paid for by securities of the Company other than (i) the commissions referred to in paragraph (p) hereof and (ii) engineering, architectural, legal, accounting and other services rendered or to be rendered in connection with the proposed glass plant of which \$39,000 has been paid to Sogemines Consultants Limited, the promoter of the Company, as referred to in sub-paragraph (vi) of paragraph (z-a) hereof, and 1,000,000 Belgian francs (\$19,370) has been paid and 2,000,000 Belgian francs (approximately \$40,000) will be paid to Etudes et Recherches Industrielles S.A. as referred to in sub-paragraph (iv) of paragraph (z-a) hereof.

(z) The name and address of the promoter of the Company is Sogemines Consultants Limited, 1980 Sherbrooke Street West, Montreal, Quebec, Canada. No amount has been paid or is intended to be paid to such promoter except as referred to in paragraph (y) hereof.

(z-a) The dates of and the parties to and the general nature of every material contract entered into since the date of the Company's incorporation, other than contracts entered into in the ordinary course of business intended to be carried on by the Company, are as follows:

- (i) agreement and subscription referred to in paragraph (p) hereof,
- (ii) option referred to in paragraph (k) hereof,
- (iii) agreement referred to in paragraph (u-v) hereof,
- (iv) agreement dated May 21, 1958 between Sogemines Consultants Limited and Etudes et Recherches Industrielles S.A., which agreement was subsequently assigned to the Company as referred to in sub-paragraph (vi) of this paragraph (z-a) under which Etudes et Recherches Industrielles S.A. is to provide the design of the overall general layout of the plant, the specialized process design and the supervision of construction of the furnaces and raw materials batching plant in consideration of a fee of 3,000,000 Belgian francs (approximately \$60,000) and other amounts as provided therein,
- (v) agreement dated June 3, 1958 with Hamendes under which the latter will furnish technical assistance during the start of operations of the plant and thereafter as needed and required by the Company in consideration of the reimbursement of incurred expenses and a reasonable fee, and
- (vi) agreement dated June 12, 1958 with Sogemines Consultants Limited pursuant to which the Company agreed to pay Sogemines Consultants Limited \$39,000 for technical assistance and management on behalf of the Company and acquired the rights and assumed the obligations of Sogemines Consultants Limited under its agreement with Etudes et Recherches Industrielles S.A. referred to in sub-paragraph (iv) of this paragraph (z-a).

Copies of the foregoing contracts may be inspected during ordinary business hours at the office of the Company, 1980 Sherbrooke Street West, Montreal, Quebec, Canada, while the securities offered by this prospectus are in the course of primary distribution to the public.

(z-b) No director of the Company, directly or indirectly, personally or as a partner in a firm, has any interest in the promotion of the Company or in any property acquired or presently proposed to be acquired by the Company except (i) Walter Leslie Forster, Jean Raymond and Francis Campbell Cope are directors and shareholders of Sogemines Limited, which Company (aa) beneficially owns all the outstanding shares of Sogemines Consultants Limited, the promoter of the Company and a party to the agreement referred to in sub-paragraph (vi) of paragraph (z-a) hereof, (bb) has a share interest in Candiac Development Corporation, a party to the agreement referred to in paragraph (u-v) hereof, and (cc) is an owner of and a subscriber for shares of the Company as referred to in paragraphs (l) and (p) hereof, (ii) Walter Leslie Forster, Jean Raymond and Francis Campbell Cope each hold less than a 1% share interest in and Walter Leslie Forster and Jean Raymond are directors of Candiac Development Corporation, (iii) Francis Campbell Cope is a partner in the legal firm of Common, Howard, Cate, Ogilvy, Bishop, Cope, Porteous & Hansard, which firm will receive remuneration for legal services rendered and to be rendered to the Company, (iv) Serge Lambert is a director of Etudes et Recherches Industrielles S.A., a party to the agreement referred to in sub-paragraph (iv) of paragraph (z-a) hereof, (v) Serge Lambert is a director of and shareholder in Hamendes, the owner of shares as referred to in paragraph (l) hereof and a party to the agreement referred to in sub-paragraph (v) of paragraph (z-a) hereof, and (vi) Walter Leslie Forster is a director of and a shareholder in W. C. Pitfield & Company, Limited, the underwriter referred to in paragraph (p) hereof.

(z-c) The Company has carried on business since April 18, 1958.

(z-d) By reason of beneficial ownership of securities of the Company, Sogemines Limited, 1980 Sherbrooke Street West, Montreal, Quebec is in a position to, or is entitled to, elect or cause to be elected a majority of the directors of the Company.

(z-e) No securities of the Company are to the knowledge of the signatories hereto held in escrow.

(z-f) No dividends have been paid by the Company since its incorporation.

(z-g) The Company has no shares without nominal or par value.

(z-h) There are no other material facts not disclosed in the foregoing.

Dated July 4, 1958.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario), section 39 of The Securities Act, 1954 (Saskatchewan), section 13 of the Security Frauds Prevention Act (New Brunswick), Part IX of The Securities Act, 1955 (Alberta) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible.

Directors

(Sgd.) F. C. COPE

(Sgd.) ANDRÉ DE JAER*

(Sgd.) CH. DUPRIEZ

(Sgd.) SERGE LAMBERT*

(Sgd.) WALTER LESLIE FORSTER*

(Sgd.) JEAN RAYMOND*

(Sgd.) RAOUL GROSSE*

(Sgd.) MAX VILAIN*

*by his agent, F. C. COPE

Promoter

SOGEMINES CONSULTANTS LIMITED

Per (Sgd.) F. C. COPE,

Director.

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario), section 39 of The Securities Act, 1954 (Saskatchewan), section 13 of the Security Frauds Prevention Act (New Brunswick), Part IX of The Securities Act, 1955 (Alberta) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible. In respect of matters which are not within our knowledge we have relied upon the accuracy and adequacy of the foregoing.

Underwriter

W. C. PITFIELD & COMPANY, LIMITED

Per (Sgd.) E. S. MORSE,

Director.

Optionee

FINANCIAL INVESTMENTS COMPANY "FININCO" S.A. HOLDING

Per (Sgd.) F. C. COPE,

Attorney.

The following are the names of every person having an interest, either directly or indirectly, to the extent or not less than five per centum in the capital of W. C. Pitfield & Company, Limited: A. S. Torrey, H. H. Mackay, P. R. Payn, W. C. Pitfield, E. S. Morse, A. D. Hunt, E. F. C. Kinnear and J. A. Weldon.

